INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Title: Clean Fuel Fleets Flexible Enforcement Guidelines

Identification Number: Air-015-NPD

Date Originally Adopted: November 14, 1997

Dates Revised:

Other Policies Repealed or Amended:

Brief Description of Subject Matter: Provides guidelines for the enforcement of the Clean Fuel Vehicle

purchase requirements.

Citations Affected: 326 IAC 19-3 Clean Fuel Fleets

This nonrule policy document is intended solely as guidance and does not have the effect of law or represent formal Indiana Department of Environmental Management (IDEM) decisions or final actions. This nonrule policy document shall be used in conjunction with applicable laws. It does not replace applicable laws, and if it conflicts with these laws, the laws shall control. A revision to this nonrule policy document may be put into affect by IDEM once the revised nonrule policy document is made available for public inspection and copying. IDEM will submit revisions to the Indiana Register for publication.

The purpose of this nonrule policy is to explain the departments intentions with respect to enforcement of 326 IAC 19-3, the Clean Fuel Fleet rule that currently applies to fleet owners and operators in Lake and Porter Counties, Indiana.

Background

The Clean Air Act Amendments (CAA) of 1990 required the implementation of a clean fuel fleets program (CFFP) beginning in Model Year 1998 (MY98) for those nonattainment areas designated as serious and above for ozone. Beginning in MY98, Indiana is required to implement a CFFP in Lake and Porter counties since these two (2) counties are designated as a severe nonattainment area for ozone. Indiana adopted a clean fuel fleets rule, 326 IAC 19-3, on February 1, 1996.

Indiana's CFFP applies to all fleet owners and operators who operate ten (10) or more fleet vehicles in Lake or Porter counties that are centrally fueled or capable of being centrally fueled. Fleets contribute significantly to emissions due to the high number of miles that they travel. Many of these fleets operate newer, well-maintained vehicles due to the need for reliability. The program is intended to improve air quality in the severe ozone nonattainment area of northwest Indiana by requiring an increased use of vehicles that are classified "clean".

The Clean Air Act (CAA) provides that, beginning with MY98, an increasing percentage of new vehicle purchases must be certified as "clean" by U.S. EPA. By MY 2000, 70% of new fleet vehicle purchases are to be clean vehicles. The CFFP will place many clean vehicles on the road in northwest Indiana.

When Congress passed the clean fuel fleet provisions of the CAA in 1990, it was anticipated that sufficient clean vehicles would be available by MY98 for the needs of the fleets subject to this program. However, in the past year, the issue of vehicle availability has become a concern for many states and fleet owners. To meet the MY98 requirement, fleets would have had to place vehicle orders in the spring of 1997. However, the quantity and variety of vehicles to meet fleet owners' needs was insufficient. Therefore, on May 22, 1997, U.S. EPA issued a policy indicating its intent to delay the initial purchase requirements by one year, until MY99 while it works with states, auto manufacturers, fleet owners and the public to

increase the availability of vehicles. U.S. EPA intends to formalize this policy through a rulemaking this fall.

IDEM believes that this one year delay is necessary for effective implementation of this program. The agency has commenced a rule making process to amend the compliance dates so that they are consistent with U.S.EPA's policy.

Policy

For the reasons stated above, IDEM intends to exercise its enforcement discretion and will not bring an enforcement action against any person for failure to comply with the following:

- 1. Failure to purchase clean fuel fleet vehicles in model year 1998.
- 2. Failure to submit an annual report on July, 1 1998.
- 3. Failure to maintain any additional records as stipulated in the rule in model year 1998.
- 4. Pursuant to 326 IAC 19-3-4 fleets may purchase clean fuel fleet vehicles at any time before model year 1999 and receive credits against future required purchases as stipulated in the rule.

This policy is effective through August 31, 1998 or until the amendments to 326 IAC 19-3 are complete, whichever occurs first.